

NEWS RELEASE

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CONTACT: GLENN BRIERE
(617) 727-6200, EXT. 123

DeNUCCI SAYS CHELSEA SOLDIERS' HOME NEEDS BETTER BILLING SYSTEM TO AVOID LOSSES

State Auditor Joe DeNucci reported today that the Chelsea Soldiers' Home needs to improve its billing system to ensure that it is providing accurate information and that it receives all the revenue it is owed. During the audit period, the home was forced to write off bills totaling more than \$781,000 because of a lack of adequate supporting documentation.

DeNucci said operational weaknesses have been plaguing the newly implemented system. The audit found that the information provided by the home regarding billing for medical services was incomplete, inaccurate and dated. The data was also improperly reported to and reconciled with the Commonwealth's Billing and Accounts Receivable Subsystem (BARS).

DeNucci noted that the problems occurred during the installation of new technology, HomeSys Information System, which replaced the facility's previous software package. The audit attributed the problem in part to a lack of adequate staff training on how to operate the new system properly.

"The Chelsea Soldiers' Home needs to ensure that its billing system is generating reliable and accurate information so that much needed income will not be lost," said DeNucci.

DeNucci also recommended that firm policies be developed regarding write-offs, and a senior management member be appointed to oversee the full implementation, including staff training, of the new system.

In addition, DeNucci reported that his review revealed that several accounting and inventory inadequacies that had been uncovered by his previous audit remain unresolved.

"These matters should be addressed immediately," concluded DeNucci.